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July 16, 2002

Investor Update

Standard & Poor's Confirms General Obligation Rating

On Monday, July 15, 2002, Standard and Poor's announced that the State of Tennessee General Obligation Debt had been removed from Credit Watch and reaffirmed the State's "AA" rating was maintained. The rating agency placed the State on negative outlook.

Standard & Poor's Confirms Tennessee State School Bond Authority Rating

Standard and Poor's also reaffirmed the AA- rating of the Tennessee State School Bond Authority and changed the outlook from negative to stable.

June Revenue Report

Attached to this document is the Revenue Report for revenues collected during the month of June 2002. On an accrual basis, June is the eleventh month in the 2001-2002 fiscal year.

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